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SUBJECT: GNP PASSES MEDIA REFORM AMID OPPOSITION'S VIOLENT

PROTEST

Classified By: A/DCM Joseph Y. Yun. Reasons 1.4 (b), (d).

- 11. (C) SUMMARY: On July 22, National Assembly Speaker Kim Hyung-o used his authority to send the ruling Grand National Party's (GNP) media reform bill directly to the plenary, where the GNP, controlling 169 of the 294 seats, handily passed the legislation. The bill was a revised version, which incorporated former party chair Park Geun-hye's suggestions after she threatened to vote against the bill earlier this week. Without Park and her faction, the GNP would have lacked the necessary support to push the bill through the plenary. The main opposition Democratic Party (DP), determined to block the legislation, threatened yesterday to resign en masse if the GNP passed the bills. END SUMMARY.
- 12. (C) In the March session, GNP and DP lawmakers agreed to postpone voting on media reform until the June session, which ends on July 25. Despite extensive negotiations the two parties were unable to compromise on the legislation. President Lee Myung-bak had sought to reform the broadcast media industry since he took office in February 2008, citing the need to spur competition between media outlets and bolster sectors he said had fallen behind global standards. The media reform bill would enable cross-ownership of broadcast and print media. The DP claims that if the conservative print media is allowed to control the progressive broadcasting companies, DP candidates will be severely disadvantaged in future elections.
- 13. (C) Despite agreeing to vote on the legislation in this session, DP contacts have repeatedly told us that they were absolutely committed to blocking this bill. After extensive negotiations earlier this week broke down, DP leader Chung Sye-kyun on July 21 began a hunger strike and demanded to negotiate directly with President Lee, a request that the
- Blue House rebuffed. The same day, DP lawmakers threatened to resign en masse if the governing party unilaterally pushed the legislation through. The DP, however, was divided on the efficacy of such a move. The resignations would have to be approved by Speaker Kim Hyung-o, who would likely find it too politically difficult to do so. Additionally, some lawmakers wanted to keep their positions.
- 14. (C) On July 22, the GNP and minority conservative party Liberty Forward Party (LFP) submitted a revised bill that took into account LFP suggestions as well as those of former GNP chair Park Geun-hye. Park, who commands a significant faction with the GNP, surprised everyone when she took the unprecedented move on July 20 of publicly disagreeing with party leadership. Park said that she would vote against the media reform bill unless the opposition's viewpoint was taken into consideration. The revised bill set the share limits of chaebol and newspapers in terrestrial broadcasting companies

at 10 percent, 30 percent in comprehensive channels, and 30 percent in news channels. The original bill called for 20, 30, and 49 percent limits, respectively. The revision also allowed only those newspaper companies with subscription rates of less than 25 percent to enter broadcasting. The DP has said that a compromise was possible only if the bill excluded the three largest (conservative) dailies and the chaebol.

15. (C) On July 22, Kim Hyung-o invoked his often threatened but never used authority to unilaterally send legislation directly to the plenary for a vote. Early in the morning, GNP lawmakers barricaded the Speaker's chair to prevent the DP from occupying it and preventing the convening of a session. Meanwhile DP lawmakers blocked the entrance to the plenary room. Nevertheless, Kim's designated representative called the meeting to order shortly after a sufficient number of GNP members fought their way into the chamber to pass the media reform bill.

Comment

16. (C) In the zero-sum game that is South Korean politics, the GNP and President Lee Myung-bak won this round, but at quite a cost. The public will frown on the ruling party's unilateral move, bolstering leftist allegations that the government is becoming more authoritarian under President Lee's leadership. The DP will now also become even more intransigent and less manageable in the National Assembly. Still, there's plenty of public sympathy for the GNP, because the DP has shown little willingness to cooperate and continues to be obstructionist on all fronts in the National

Assembly. Also, in the likely event that DP legislators do not carry out their threat and resign, they will be pilloried by the conservatives as paper tigers, further helping the GNP and President Lee. All this for a bill whose substance is now largely forgotten, overshadowed by the fisticuffs and insults that have virtually become standard legislative procedure for the Korean National Assembly. STEPHENS